

IC 12-17.6-6

Chapter 6. Provider Sanctions, Theft, Kickbacks, and Bribes

IC 12-17.6-6-1

Applicability of chapter

Sec. 1. This chapter does not apply until January 1, 2000.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-2

Provider sanctions

Sec. 2. If after investigation the office finds that a provider has violated this article or rule adopted under this article, the office may impose at least one (1) of the following sanctions:

- (1) Deny payment to the provider for program services provided during a specified time.
- (2) Reject a prospective provider's application for participation in the program.
- (3) Terminate a provider agreement allowing a provider's participation in the program.
- (4) Assess a civil penalty against the provider in an amount not to exceed three (3) times the amount paid to the provider that exceeds the amount that was legally due.
- (5) Assess an interest charge, at a rate not to exceed the rate established by IC 24-4.6-1-101(2) for judgments on money, on the amount paid to the provider that exceeds the amount that was legally due. The interest charge accrues from the date of the overpayment to the provider.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-3

Ineligibility to participate in program

Sec. 3. In addition to any sanction imposed on a provider under section 2 of this chapter, a provider convicted of an offense under IC 35-43-5-7.2 is ineligible to participate in the program for ten (10) years after the conviction.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-4

Administrative review

Sec. 4. A provider may appeal a sanction imposed under section 2 of this chapter under rules concerning Medicaid provider appeals that are adopted by the secretary under IC 4-22-2.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-5

Judicial review

Sec. 5. After exhausting all administrative remedies, a provider may obtain judicial review of a sanction under IC 4-21.5-5.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-6

Provider to notify recipients of services for which office will not pay

Sec. 6. A final directive made by the office that:

- (1) denies payment to a provider for medical services provided during a specified period; or
- (2) terminates a provider agreement permitting a provider's participation in the program;

must direct the provider to inform each eligible recipient of services, before services are provided, that the office will not pay for those services if provided.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-7

Duration of final directive

Sec. 7. Subject to section 8 of this chapter, a final directive:

- (1) denying payment to a provider;
- (2) rejecting a prospective provider's application for participation in the program; or
- (3) terminating a provider agreement allowing a provider's participation in the program;

must be for a sufficient time, in the opinion of the office, to allow for the correction of all deficiencies or to prevent further abuses.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-8

Conditions for reinstatement of provider under sanction

Sec. 8. Except as provided in section 10 of this chapter, a provider sanctioned under section 2 of this chapter may not be declared reinstated as a provider under this article until the office has received the following:

- (1) Full repayment of the amount paid to the provider in excess of the proper and legal amount due, including any interest charge assessed by the office.
- (2) Full payment of a civil penalty assessed under section 2(4) of this chapter.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-9

Provider filing agreements under sanction

Sec. 9. Except as provided in section 10 of this chapter, a provider sanctioned under section 2 of this chapter may file an agreement as provided in IC 12-17.6-5.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-10

Ineligibility of provider under sanction to submit claims

Sec. 10. A provider who has been:

- (1) convicted of a crime relating to the provision of services under this chapter; or

(2) subjected to a sanction under section 2 of this chapter on three (3) separate occasions by directive of the office;
is ineligible to submit claims for the program.
As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-11

Prima facie evidence of intent to deprive state of value

Sec. 11. Evidence that a person or provider received money or other benefits as a result of a violation of:

- (1) a provision of this article; or
- (2) a rule established by the office under this article;

constitutes prima facie evidence, for purposes of IC 35-43-4-2, that the person or provider intended to deprive the state of a part of the value of the money or benefits.

As added by P.L.273-1999, SEC.177.

IC 12-17.6-6-12

Violations

Sec. 12. A person who furnishes items or services to an individual for which payment is or may be made under this chapter and who knowingly or intentionally solicits, offers, or receives a:

- (1) kickback or bribe in connection with the furnishing of the items or services or the making or receipt of the payment; or
- (2) rebate of a fee or charge for referring the individual to another person for the furnishing of items or services;

commits a Class A misdemeanor.

As added by P.L.273-1999, SEC.177.